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President's Foreign Assistance Message to Congress to be delivered Thursday, March 19, will say following with respect countries moving toward self-support.

QUOTE Wherever possible, we will speed up the transition from reliance on aid to self-support. In 17 nations, the transition has been completed and economic aid has ended. Fourteen countries are approaching the point where soft economic loans and grants will no longer be needed END QUOTE

Self-support here means ending economic aid under Foreign Assistance Act. Seventeen nations referred to are 14 Western European which received Marshall Plan aid (including Spain), plus Yugoslavia, Lebanon and Japan. Fourteen transitional countries now listed further classified presentation to Congress. Will identify classified list transitional 14 and plans individual countries executive sessions

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DRAFTED BY	OFFICE	PHONE NO.	DATE	APPROVED BY:
LEGordon	AA/PC	4256	4/18/64	Lester E. Gordon

AID AND OTHER CLEARANCES

William S. Gaud, DA/A (in draft)

Declassified following delivery of Presidential message

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Congressional committees. House Foreign Affairs Committee open hearings begin March 23. Executive sessions economic aid probably not start until April 6. Some posts these 14 countries already informed specific transition plans; others to be informed separate messages.

In all discussions transition countries -- publicly or on classified basis -- we will, and you should, emphasize following

a. Transition is sign economic progress and success;

b. Transition to self-support does not mean decline in U.S. interest in country, our desire see it make further progress or our wish maintain and strengthen ties; and

c. Transition does not end availability EX-IM loans, PL 480 or MAP where appropriate; nor does it end Fulbright-Hayes and other kinds technical, educational and cultural interchanges; nor does it end our interest investment and trade relations.

RUSK

LEGISLATIVE COUNSEL
MAR 20 3 28 PM '64

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